Global Tender Notice for Bank Note Papers

5451. SHRI ANANT RAM JAISWAL : Will the Minister of FINANCE be pleased to state :

(a) whether Government received any information in the 2nd week of April, 1994 regarding certain loopholes in the global tender notice 108/94 dated 25th January, 1994 for supply of Cylinder Mould Vat made Watermarked Bank note Paper floated by Currency Note Press Nashik;

(b) if so, whether any suggestions have been made therein for plugging the loopholes; and

(c) what steps Government have taken or propose to take in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY) : (a) to (c) A complaint was received in the 2nd week of April, 1994 regarding existence of certain loopholes in the global tender floated by the Currency Note Press, Nashik for the supply of Cylinder Mould Vat made Watermarked Bank Note Paper. However, on examination, the same was found to be incorrect.

Wealth Tax on Agriculture Land and Farm Houses

5452. SHRI BHUPINDER SINGH MANN : Will the Minister of FINANCE be pleased to state :

(a) since when the wealth tax on agricultural land and farmhouses has been reimposed;

(b) whether it is a fact that the late Prime Minister Mrs. Indira Gandhi, abolished this tax as it was not justified;

(c) if so, what are the reasons and conditions of reimposition of wealth tax on agricultural land and farm-house in Punjab;

(d) what are the reasons of rescinding the decisions made by late Smt. Indira Gandhi; and

(e) whether Government propose to abolish this tax?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY) : (a) The Finance Act, 1992 has specified six assets which are exigible to wealth-tax, one of these being any guest house and any residential house [Including a farm house situated within twenty-five kilometres from the local limits of any municipality (whether known as a municipality, municipal corporation, notified area committee, town area committee, town committee or by any other name) or a cantonment board]. However, agricultural land is not one of the specified assets.

(b) Wealth-tax was never abolished by late Prime Minister Smt. Indira Gandhi.

(c) and (d) In view of the answer to part (b), question does not arise.

(e) No, Sir.

Financial Irregularities Committed by ITC

5453. SHRI CHIMANBHAI MEHTA : Will the Minister of FINANCE be pleased to state :

(a) whether Goverment's attention has been drawn to a news-item published in the 'Observer of 3rd March, 1994' highlighting I.T.Cs strong bid to take over Kerala based Lord Krishna Bank, now being controlled by the Pai Group of Companies;

(b) whether Government are aware of various financial irregularities being committed by I.T.C. group, including tax evasion, excise duties evasion and criminal cases against almost all its directors;

(c) if so, whether Government still propose to permit I.T.C. of such dubious reputation, to operate various types of financial business like banking, mutual fund, insurance, etc. in the country; and

(d) if so, what are Government's compulsions in taking such a decision?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY) : (a) Yes, Sir.